## UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111<sup>th</sup> Congress<sup>1</sup>

[Date approved: May 5, 2010]<sup>2</sup>

Bill No. and sponsor: S. 2427 (Mr. Sam Brownback of Kansas).

**Proponent name,** location: Payless ShoeSource, Inc., Topeka, KS.

Other bills on product (111th Congress only): None.

**Nature of bill:** Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Other footwear with outer soles and uppers of rubber or plastics, the foregoing for women, other than house slippers, work footwear, tennis shoes, basketball shoes, gym shoes, training shoes and the like (provided for in subheading 6402.99.31).

Check one:

Same as that in bill as introduced.

Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

The bill covers a variety of women's shoes, the uppers of which have external surfaces comprising over 90 percent of rubber or plastics. The subject footwear includes pumps, clogs, mules, and other styles. China is the leading supplier of these imports.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available <u>at http://www.usitc.gov/tariff\_affairs/congress\_reports/</u>.

The sponsor and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers.

#### Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6402.99.31:

$\bigg \backslash \! \bigg \backslash$	2010	2011	2012	2013	2014
Col. 1-General rate of duty	6%	6%	6%	6%	6%
Estimated value dutiable imports <sup>a</sup>	\$430,000,000	\$430,000,000	\$430,000,000	\$430,000,000	\$430,000,000
Customs revenue loss b	\$25,800,000	\$25,800,000	\$25,800,000	\$25,800,000	\$25,800,000

 $<sup>\</sup>underline{a}$ / Source of estimated dutiable import data: Commission estimates based on trade data provided by the U.S. Department of Commerce and industry representatives.

## Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Payless ShoeSource, Inc. (Proponent) Curtis Sneden, 785-295-6615	01/15/2010	No	No	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	01/15/2010	No	No	No
Footwear Retailers and Distributors of America Matt Priest, 202-737-5660	01/14/2010	No	No	No
Rubber and Plastic Footwear Manufacturers Association Mitchell J. Cooper, 202-331-1858	01/15/2010	No	No	No

#### Technical comments:4

It is suggested that the comma after "training shoes" be deleted from the proposed description to conform more closely to normal HTS usage.

 $<sup>\</sup>underline{b}$ / At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

<sup>&</sup>lt;sup>4</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



### 111TH CONGRESS 1ST SESSION

# S. 2427

To suspend temporarily the duty on certain women's non-work footwear.

# IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Brownback introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To suspend temporarily the duty on certain women's non-work footwear.

1	Be it enacted by the Senate and House of Representa-							
2	tives of the United States of America in Congress assembled,							
3	SECTION 1. CERTAIN WOMEN'S NON-WORK FOOTWEAR.							
4	(a) In General.—Subchapter II of chapter 99 of							
5	the Harmonized Tariff Schedule of the United States is							
6	amended by inserting in numerical sequence the following							
7	new heading:							
	" 9902.01.00 Other footwear with outer soles and uppers of rubber or plastics, the foregoing for							

No change

No change

women, other than house slippers, work footwear, tennis shoes, basketball shoes, gym shoes, training shoes, and the like (provided for in subheading 6402.99.31) .......

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of the enactment of this Act.

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